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NOMINATIONS—NOVEMBER

HEARINGS

BEFORE THE

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION UNITED STATES SENATE

NINETY-NINTH CONGRESS

FIRST SESSION

ON

NOVEMBER 5, 1985

JAMES CURTIS MACK II, TO BE DEPUTY ADMINISTRATOR, NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

NOVEMBER 8, 1985

JENNIFER L. DORN, TO BE ASSOCIATE DEPUTY SECRETARY, DEPARTMENT OF TRANSPORTATION

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JAMES CURTIS MACK II, TO BE DEPUTY ADMINISTRATOR, NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

TUESDAY, NOVEMBER 5, 1985

U.S. SENATE,
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION,
Washington, DC.

The committee met, pursuant to notice, at 2:05 p.m. in room SR-253, Russell Senate Office Building, Hon. Slade Gorton presiding.

Staff members assigned to this hearing: Cassie Phillips, staff counsel; Ruth Johnson, professional staff member; and Mike Nussman, minority professional staff member.

OPENING STATEMENT BY SENATOR GORTON

Senator GORTON. Good afternoon and welcome to this hearing of the Senate Committee on Commerce, Science, and Transportation. We are here this afternoon to consider the nomination of James Curtis Mack II, to be Deputy Administrator of the National Oceanic and Atmospheric Administration. The position of Deputy Administrator is of critical importance to all of NOAA's programs and activities. The Deputy Administrator is responsible for much of the day to day operation of the agency and for providing policy guidance to the Administrator and to the Secretary of Commerce.

Many of us in the Congress believe that NOAA has suffered from not having both an Administrator and a Deputy Administrator during the past year. Now that Mr. Mack's predecessor, Tony Calio, has been confirmed as Administrator, I look forward to Mr. Mack's confirmation with the expectation that he will strengthen NOAA's organizational structure.

Mr. Mack certainly has the organizational experience necessary for the position of Deputy Administrator. He has spent the past 6 years as executive director of Citizens for the Republic, which is the President's political action committee. He also spent 6 years as Assistant to the Director of the Veteran's Administration. Having reviewed Mr. Mack's record and having spoken with him, I am impressed with his capability as an organizer and a problem solver, and I am pleased to chair this hearing and to support his nomination.

Before we hear from him, however, we will hear from his distinguished Senator, Senator Wilson.

But first, I have an opening statement from Senator Hollings.

[The statement follows:]

OPENING STATEMENT BY SENATOR HOLLINGS

Mr. Chairman, as you know, I played a major role in the establishment of the National Oceanic and Atmospheric Administration and feel very strongly about its mission. Since its creation in 1970, NOAA has been responsible for most of the Federal Government's oceanic and atmospheric research and service programs. The work performed by the agency is critical if we are to properly manage the Nation's ocean resources and further our understanding of the atmosphere.

Since the onset of NOAA, I have worked to ensure that the agency is provided with the best possible leadership. With the selection of Dr. Robert White as its first Administrator, the agency got off to a fine start. Since that time, I have invariably compared each nominee for a NOAA leadership position with the standard first set by Dr. White.

Unfortunately, it seems that this administration has little regard for NOAA. Since 1981, it has consistently sent this committee unacceptably low budgets for the agency, and, in addition, has proposed the total elimination of several key programs. While increasing the atmospheric and oceanic research and development budgets at other Federal agencies, the administration has attempted to slash NOAA's budget each year. And each year, in reviewing NOAA's programs, Congress has elected to restore nearly all of the proposed reductions. Yet, still OMB and the administration refuse to work with us.

On top of these budget concerns, the agency has suffered leadership problems. Under this administration, there has been clear evidence that the Administrator, Deputy Administrator, and Associate Administrator have been at odds with each other over agency direction. Vigorous internal debate of agency policy promotes sound decisionmaking. However, once a decision is made, leadership must speak with a common voice.

I look forward to this hearing as an opportunity to learn more about Mr. Mack and his priorities for NOAA. I also want to convey to him the importance that we in this committee place on NOAA. The agency's work is vital. Thank you, Mr. Chairman.

STATEMENT OF HON. PETE WILSON, U.S. SENATOR FROM CALIFORNIA

Senator WILSON. Thank you very much, Mr. Chairman.

Your eloquent introductory statements make an introduction of Mr. Mack seem almost unnecessary, but if you will indulge me the personal privilege of saying a few words, I will be grateful.

As you have indicated with your usual clarity, he has a comprehensive background in management. He has enjoyed I think spectacular success in exercising his skills in many areas, and they include governmental service. As you have pointed out, he has been most recently the executive director of Citizens for the Republic. But prior to joining Citizens for the Republic, Mr. Mack had served as an assistant to the Director and Assistant Veterans Services Officer of the Veterans' Administration Regional Office in Los Angeles. And his responsibiities in the VA led him into all aspects of office administration, personnel administration, culminating in a position of line authority over more than 400 employees.

At the time of this assignment he was one of the youngest senior level managers within the Veterans' Administration system. His varied career has included active duty in the Air Force, and he is completing his 14th year in the Air Force Reserve. In his military service, Mr. Mack has risen through positions of increasing responsibility in highly technical aspects of national agency and Air Force intelligence operations. As you are well aware, his academic background brings much to his fitness for this position. His qualifications are I think well tailored to the high responsibility that he will have as the Deputy Administrator. He holds masters degrees from the University of Southern California in both international

relations and in public administration. He has taught public administration for the Far East Division of the University of Maryland.

Beyond that, I think that all of those who have been privileged to know him in his varying capacities over a period of years have experienced a very high degree of integrity, a very high degree of conscientiousness and thoroughness, and he has brought to this moment a very superb preparation for the job of Deputy Administrator.

So I share your enthusiasm and your feeling of confidence. I hope that the committee can act very quickly. It strikes me that we have an extraordinarily well qualified Deputy Administrator sitting next to me, and I thank the chair for your indulging me in the personal privilege of introducing him.

Senator GORTON. You are most welcome, Senator Wilson.

We also have a statement from Senator Cranston and the biographical sketch which will be included at this point in the record.

[The material referred to follows:]

STATEMENT OF HON. ALAN CRANSTON, U.S. SENATOR FROM CALIFORNIA

Mr. Chairman, I'm pleased to have this opportunity to convey to the members of the Senate Commerce Committee my support for the appointment of James Curtis Mack of California to be Deputy Administrator of the National Oceanic and Atmospheric Administration.

As the committee is aware, Mr. Mack is a native Californian, was raised in Los Angeles, and received both his bachelor's degree in political science and master's in public administration from the University of Southern California. After graduation in 1969 until 1972, he served as an Air Force intelligence officer. Then from 1973 to 1979, he was the assistant to the Director and Assistant Veterans Services Officer at the Los Angeles office of the Veterans Administration, the largest regional office in the VA system.

It was during this period with the VA that my staff and I became acquainted with Curtis and had the opportunity to work with him. At the VA, Curtis demonstrated an ability to work with people, to listen and communicate, to solve problems and make decisions, and to function well within the regulatory framework of a Federal agency. Although Curtis has no scientific expertise in oceans issues, I believe his administrative skills will serve him well at the Commerce Department and enable him to be an effective Deputy Administrator of NOAA.

Mr. Chairman, I know of nothing in Curtis Mack's background that would disqualify him for confirmation. I hope that the committee will approve his appointment promptly. Thank you.

BIOGRAPHICAL SKETCH OF JAMES CURTIS MACK II

10769 Ohio Avenue, Los Angeles CA 90024 (residence and mailing).
December 22, 1944, Los Angeles CA.
Bachelor.

EDUCATION

University of Southern California, University Park, Los Angeles CA: 1975–76, master of arts (international relations), June 3, 1976.

St. Mary's University, San Antonio, TX: 1970–70, none (three units graduate work).

University of Southern California, University Park, Los Angeles CA: 1967–69, master of public administration, January 29, 1969.

University of Southern California, University Park, Los Angeles CA: 1962–67, bachelor of arts, cum laude (political science), June 8, 1967.

EMPLOYMENT

Citizens for the Republic, 1253 7th Street, Suite 200, Santa Monica, CA 90401: Executive director, March 1979–June 1985; Consultant, July 1985–October 1985.

Veterans Administration, Regional Office, 11000 Wilshire Blvd., Los Angeles CA 90024: Assistant to the Director and Assistant Veterans Services Officer, February 1973–March 1979.

California Committee for the Re-Election of the President, 1670 Wilshire Blvd., Los Angeles CA 90017: Director, Southern California Field Organization, March 1972–November 1972.

United States Air Force (various bases): Intelligence officer (active duty, 2d Lt.-Capt., March 1969–March 1972) (Reserve, Capt.-Major, February 1973–present).

University of Maryland, Far East Division (Osan AB, Korea): Instructor in Public Administration, spring 1971.

GOVERNMENTAL EXPERIENCE

Commissioner, President's Commission on White House Fellowships, August 1984–present.

Member, U.S. Delegation, NATO Committee on Challenges to Modern Society, spring 1982.

Assistant to the Regional Director and Assistant Veterans Services Officer (career positions), Veterans Administration Regional Office, Los Angeles CA, February 1973–March 1979.

PRE-HEARING QUESTIONS OF THE MINORITY AND THE ANSWERS

Question. Please outline your primary goals and priorities as Deputy Administrator of NOAA assuming you are confirmed.

Answer. My primary goal as Dupty Administrator is to assist the Administrator in the management of the agency. My priority is to develop a sense of working as a team to further the goals of the Administrator and the agency as well as the Department as a whole. I will be the General Manager of NOAA, handling the day-to-day operations and management. I have been nominated to be Deputy Administrator, not Administrator, and my goals and priorities will be determined by what is assigned by the Administrator.

Question. PLease outline your responsibilities as executive director of Citizens for the Republic. What role did you play in writing their newsletter?

Answer. As executive director of Citizens for the Republic, I was chief operating officer for the organization. I had primary responsibility for all day-to-day operations of the organization, including programmatic and financial accountability, as well as all fundraising and spending decisions. I did not write the newsletters for the organization, but I did approve them.

Question. Please describe your duties as Assistant to the Director of the Veterans Administration Regional Office in California.

Answer. As Assistant to the Director, I served as a trouble-shooter to ensure that the mission of the office—getting benefits and services to veterans—was achieved in a timely and efficient manner. While serving as Assistant Veterans Services Officer, I had line authority over 400 employees, including attorneys, counseling psychologists, fiduciary examiners, benefits counselors and Congressional relations specialists as well as responsibility and financial accountability for administering national level programs.

Question. Describe the activities and mission of the New American Foundation.

Answer. The New American Foundation is a not-for-profit organization which conducts education and research activities on public policy issues. The Foundation conducted a public policy seminar on "Productivity" which was held at Pepperdine University (California) in 1982, and has underwritten the publication of books on public policy including a "readers guide" to conservative and libertarian thought entitled "Unity in Diversity" and a comprehensive study, "Entitlement Spending—The Imperative for Reform." I serve as Vice President, Treasurer and a Director of the Foundation and, if confirmed, I will resign these positions.

Question. What professional skills will you bring to NOAA as Deputy Administrator?

Answer. I believe I have the communications, management and political skills which will enable me to be an effective Deputy Administrator for NOAA. Effective listening is essential to managing, and I think it is important to be able to get feedback from agency managers and incorporate their views and ideas into running an

organization. I have been given hard management cases to "turn around" in my working experience, and my ability to listen to and work with people as well as to understand complex problems has helped me achieve success as a manager. My knowledge and understanding of politics is a skill which I think will serve me both within the agency and outside it. Keeping the lines of communication open with NOAA's constituents and with Capitol Hill is important to the smooth operation of the agency.

Question. Concern has been expressed over your lack of oceanic and atmospheric background. How will you make decisions regarding scientifically based issues at NOAA without this necessary knowledge and experience?

Answer. I readily admit that I am not a scientist, but I question whether one must be a scientist to be a good manager. A good manager relies on the line offices to provide the information and the options available upon which to make a reasoned decision. For example, I have had to make management decisions on issues concerning psychological counselling as well as legal matters and I am neither a psychologist nor a lawyer. If I am confirmed, I will depend on those who are experts in the oceanic and atmospheric fields to provide me with the options for making a sound decision. For example, the National Academy of Sciences just began a review of NOAA's science programs and the agency will be given a critique by NAS on what programs may need improvement and where, if at all, our science can be improved. This is indicative of the expert advice which is available outside of the agency, and there is tremendous expertise within the agency as well.

Question. Your background indicates considerable experience as a trouble-shooter. Please give specific examples of the problems you have solved.

Have you identified areas in NOAA where your trouble-shooting skills may be applied? What are they?

Answer. A specific example of my experience as a trouble-shooter occured during my tenure as Assistant to the Director of the Los Angeles Regional Office of the Veterans Administration. In 1973, the system had so deteriorated for benefits payments from the Veterans Administration that veterans did not receive their checks around Christmas time. In the Los Angeles media, the whole matter was referred to as the "Christmas Massacre". The Administrator of Veterans' affairs formed a team to go into each part of the Regional Office to identify and solve the problems which had resulted in the failure to meet the mission of the agency, that is, providing benefits to veterans. After being part of that team, and the appointment of a new Regional Director, I was given free rein to go into various parts of the office to solve the problems and get the situation turned around. Later, when the opportunity presented itself, I was given a position of line authority within the Regional Office and was asked to solve further management problems within the organization. This challenge, by all standards, was very successfully met.

After spending two weeks around NOAA I am hardly in a position to judge where my trouble-shooting skills could be applied. I was struck, however, by the difficulty of maintaining good communications and a sense of teamwork with five separate line offices which are geographically disbursed. As of yet I have no solution to this communications problem, but I think it is important to seek ways to improve interaction and communications among NOAA's components.

Question. What do you consider to be the three most important accomplishments of your professional career,

Answer. Perhaps the most challenging experience of my profesional career was taking an organization in significant financial trouble and making it not only survive, but thrive. Today, Citizens for the Republic is one of the most successful organizations of its kind in the political spectrum.

At the Los Angeles Regional Office of the Veterans Administration, by far the largest in the system, when put into a line management position, I had the opportunity to take an organization in managerial disarray and turn it into an organization managed by planning rather than crisis. Due to the size of the office and the diversity of programs it had to administer in the region, it was a challenge to establish administrative procedures which would ensure smooth and efficient delivery of services to the constituents of the agency.

My most recent professional challenge has been as one of the founding Directors of the most heavily capitalized start-up savings and loan institution in the history of California. As a Board member (one of eleven), I have had to oversee and understand the problems of a volatile and highly regulated industry and assume the fiduciary responsibilities associated with the banking industry. I would venture to say that those in authority at the Federal Home Loan Bank Board have never heard of this new savings and loan due to the sound management policies we instituted. In other words, in a highly troubled industry, we have no problems.

Question. What do you believe should be the role of career civil servants in the formulation and implementation of agency policy?

Answer. I was a career civil servant for six years and spent 3 years in the military. Civil servants do not make policy, but career employees must be consulted for options on which policy is based, since they will implement the policy decision. Career employees have the historical perspective, technical knowledge and continuity which are critical factors in decisionmaking. Making policy decisions without consulting those who may have been in an agency or department for several years could lead to the establishment of policies which have not worked in the past or which may be difficult to implement.

Senator GORTON. With that, do you have an opening statement?

STATEMENT OF JAMES CURTIS MACK II

Mr. MACK. Yes, sir, Mr. Chairman. Thank you very much.

I think the greatest honor that has ever been bestowed upon me was when the President of the United States, a man whom I greatly admire and have for some 20 years, nominated me for the post of Deputy Administrator of the National Oceanic and Atmospheric Administration. It is a job I can look forward to doing. It is a job which I believe I can do well.

I view the task of Deputy Administrator as that of being a general manager and chief operating officer whose main responsibilities include programmatic oversight and fiscal accountability. In this position I would bring to bear both demonstrated political prowess and considerable leadership capabilities. This approach would, I believe, be consistent with the needs of the NOAA Administrator, Tony Calio, who has articulated quite well the importance of creating a balanced top management team at NOAA. In his view, there exists a need for a blend of appropriate scientific, technical, political and managerial expertise within NOAA.

NOAA is a large and multifacted agency within the Department of Commerce. Its billion dollar plus budget, its 13,000 employees, and its five line offices must function within the political framework of the executive branch of the Federal Government, and they must operate in a manner which is consistent with the ever-evolving congressional mandate. Finally, these elements must at all times be responsible to the national interest.

This complex of sometimes competing demands requires that top management at NOAA possess superior management, administrative and political skills. I submit that I can bring a unique combination of those skills to the position of Deputy Administrator. I understand well the mandate given to NOAA by the Congress. I am also fully aware of the need to maintain a sound and constructive approach, replete with rigorous professional standards, to NOAA's research and problem solving activities.

Regarding this last point, I intend, if confirmed, to rely heavily on NOAA's senior management for scientific and technical advice.

The NOAA Administrator himself has made it clear that the agency's scientific mission is important and must be kept on track. As a matter of fact, the Administrator initiated discussions just yesterday with the National Academy of Sciences' Atmospheres and Oceans groups to seek guidance on NOAA's scientific plans and activities. Those discussions are being continued today.

I want you to know, Mr. Chairman, that I share the Administrator's concern and commitment regarding the future of NOAA's sci-

entific endeavors, and I believe that discussions such as those I just mentioned are necessary in order to develop, identify, and select appropriate national priorities, given existing fiscal constraints.

There are some other things I believe in, too, and I want to take just a second to mention them here.

I believe in proper congressional oversight of NOAA. I believe also in ensuring that NOAA's programs and policies are consistent with the administration's views. And I believe in demanding realistic accountability within NOAA.

This credo should serve me well if I am confirmed as the Deputy Administrator of NOAA. Indeed, oversight, consistency, and accountability are the bedrock of my management philosophy, and they have particular relevance for the position for which I have been nominated.

I have the experience needed to deal effectively with personnel, resources and programs. I am an effective problem solver and an operations-oriented manager. I served for six years as the chief operating officer of an organization whose founder and former chairman is now the President of the United States.

In assuming that position, I had to sharpen my general management skills as well as my understanding of financial obligations. I succeeded in moving that organization to a position of unparalleled financial stability. I have had similar successes throughout my professional career, including my experience as an intelligence officer in the U.S. Air Force.

If I do say so myself, my efforts have earned me the respect of my peers, and while I could cite numerous commendations and honors which have been bestowed upon me during the past twenty years, I do not think that any such litany is appropriate here.

What is appropriate is up to you, Mr. Chairman, and I would respectfully request that you consider the stated needs of the NOAA Administrator, Tony Calio, for a balance of scientific, technical, political and managerial expertise in order to maintain a vital and effective NOAA.

By both training and experience, I am able to contribute considerable and significant talent to that needed formula, and I am anxious to serve as part of NOAA's top management team.

At this point, sir, I am prepared to answer any questions which you may have for me.

Senator GORTON. Mr. Mack, you have the advantage of looking at NOAA as a newcomer from the outside. In the course of the last few weeks, since you have been aware of this appointment, what general impression of NOAA and its effectiveness have you developed, and what do you think will be the first principal challenges which you will have to face after you are confirmed?

Mr. MACK. Mr. Chairman, upon selection as the nominee for Deputy Administrator of NOAA, you are correct, I did start a study of the agency, and in the last couple of weeks I have had the opportunity to meet with each of the line offices as well as several of the staff offices in the agency. I have been tremendously impressed by the diversity of the programs that the agency undertakes, and I think perhaps more than anything else, I have been tremendously impressed by the pride of the people in their work that they are doing within the agency.

One of the first things that I would like to address as Deputy Administrator, if confirmed, would be the further creation of a sense of teamwork within the agency. As we all know, it consists of five different line offices, originally five different agencies, different programs, and I think that there is still room for a much more cohesive participation by each of the line offices with each other and have a type of synergistic effect on each other.

Senator GORTON. I am sure you have already learned that there has been a considerable difference of opinion between the Congress, especially this committee, and the administration on the appropriate role of the Government in providing weather services. Most particularly, the administration has wanted to transfer to the private sector specialized services like fire weather forecasts, agricultural weather forecasts, fruit frost warnings, and the like. We here in the Congress, on the other hand, have felt those to be appropriate governmental functions and have restored them.

What is your own philosophy with respect to such services? Obviously you will support the administration decision, I assume, but what kind of advice are you going to be giving in-house, and what is your willingness to carry out enthusiastically the will of Congress when that will has been expressed?

Mr. MACK. Sir, my own philosophy is one of looking at two questions. One, is there a proper function for Government to be involved with in the first place, and assuming that that question is answered affirmatively, then where might that function be most effectively carried out, in the private sector or directly within Government services.

I think that after answering that question and with the appropriate consultation with the Members of the Hill here, it is incumbent upon us to most effectively carry out those programs as mandated.

You are correct, I will be part of this administration. There will be the direction as given by Pennsylvania Avenue, which I will feel obliged to follow. But at the same time, I intend to carry out the law, if confirmed, and thereby, those things which are passed into law which are signed by the President, I will do my utmost to carry out in the most effective way possible.

Senator GORTON. Last year, due to the intense successful campaigning of your now Administrator, Tony Calio, Congress passed the Land Remote Sensing Commercialization Act, providing for the commercialization of the Government's Landsat system.

We are going to oversee that transfer carefully, and in fact, this committee has a hearing next week on the act. We, of course, expect NOAA to maintain a close watch over the commercialization process. But what role do you envision NOAA to have as that process develops?

Mr. MACK. I think there are several things, sir, and again, one of the things that we wish to remember is that even though the functions will be carried out by commercial enterprise, the actual system, the hardware, will be retained by the Federal Government. But beyond that, NOAA has established a Landsat transition office which will continue to have oversight over the activities of the commercial enterprise. They will make sure that all those things which are mandated are carried forth, and that there will be full compliance with the law.

At the same time, NOAA will retain its position as the agent involved with foreign governments in terms of establishing ground stations, things of that sort. It will act as an agent on behalf of the commercial activity. We will also be the archive, the national archive, as repository for the data that is obtained from this enterprise.

So I think that there is a wide variety of things that we can and will be doing to ensure that the intent is fully carried out in this enterprise.

Senator GORTON. Thank you.

We are getting toward the end of a roll call vote on the floor, and Senator Wilson and I will have to leave.

I have a series of questions in which I am intensely interested in the answers, as you know, on NOAA's A-76 procedures. I will submit those to you in writing and hope for your prompt and complete written answers to them.

We will also submit written questions to you from Senators Goldwater and Weicker, and when each of those questions is answered, we will be ready to consider your nomination.

With that, thank you very much, and we are adjourned.

[Whereupon, at 2:22 p.m., the committee recessed subject to the call of the Chair.]

[The following information was subsequently received for the record:]

POST-HEARING QUESTION OF SENATOR GOLDWATER AND THE ANSWER

Question. Congress has reappropriated and reauthorized the agricultural weather service program for a number of years, and many of us believe that the cost-benefit analysis weighs in favor of continuing it. It is particularly helpful in my area of the countgry, where pin-pointed local weather alerts are vital to saving winter fruit crops. In light of Congressional support for the program, would you be willing to reassess the agency's opposition to continuing it?

Answer. This is one area that I have not looked at yet. However, I will certainly review and reassess the agency's past decisions to terminate the fruit frost program, and I would be willing to report my findings to you.

POST-HEARING QUESTION OF SENATOR GORTON AND THE ANSWER

Question. Many members of Congress have expressed concern over NOAA's policy of contracting certain activities to the private sector pursuant to OMB Circular Memorandum A-76. There is a widespread belief that NOAA considers only cost savings in making contracting decisions and that important services often suffer. In fact, the Senate unanimously passed my NOAA authorization bill, S. 1103, which includes a requirement that NOAA report to the Congress prior to any such contracting and provides full justification for contracting decisions.

(a) Do you see any problems with NOAA's contracting policies?

(b) What is your personal philosophy as to the types of government services which should be transferred to the private sector?

(c) Do you believe that the reporting requirement in my bill, S. 1103, would be detrimental to NOAA's A-76 procedures?

(d) What role do you see yourself having in the contracting process, which has been the responsibility of the Associate Administrator?

Answer. (a) I have not worked with NOAA's A-7b program enough to point to any specific problems with current contracting policies. I have reviewed a June 21, 1985 report by the General Accounting Office in which the GAO stated that the agency had a rocky start in implementing its A-76 program. The GAO concluded that NOAA had taken corrective actions to improve the administration of the program, which is mandated by OMB.

(b) It would be difficult for me to indentify specific services which may be transferred to the private sector from the government in the absence of a specific exam-

ple. Generally, in considering any proposed activity or services, I think one must ask two questions. First, is the activity a function that is properly a responsibility of the Federal government. Second, if the activity is already a function under the purview of the Federal government, it is reasonable to ask whether the work can be more efficiently and cost-effectively performed by government involvement or by contracting out to a private interest.

(c) It makes sense to advise Congress of our intent to contract out any governmental function, and Congress currently receives a 15-day notice prior to NOAA issuing any request for proposals to the private sector under Circular A-76. Should the provision providing for a 30-day notification period when either House or Senate are in session become law, we will honor this provision.

(d) Any role I may have in NOAA's A-76 program would be assigned to me by the Administrator. The Associate Administrator has current responsibility for the program.

POST-HEARING QUESTIONS OF SENATOR WEICKER AND THE ANSWERS

Question. While your vitae shows a strong managerial and political backgound, it does not include any expertise in the oceanographic, fisheries, or meteorological fields. If confirmed, do you feel that you can adequately address and respond to NOAA's needs without a science background of any kind?

Answer. I think I have the ability to make sound management decisions and I will rely on those who are experts in the oceanic and atmospheric fields to provide me with the options for making sound decisions responsive to the needs of the agency. The National Academy of Sciences just began a review of NOAA's science programs and the agency will be given a critique by the NAS on any program improvements and where, if at all, our science can be improved. The quality of expert advice which can be obtained readily outside of the agency, along with the expertise within the agency, will assist me. In the past I have had to make management decisions on issues concerning psychological counselling as well as legal matters and I am neither a psychologist nor a lawyer. I can be responsive to NOAA's needs and make sound management decisions although I am not a scientist. I will be responsible for the day-to-day management of NOAA, and to be a good manager, one does not necessarily need to be a scientist.

Question. What, in your view, is the present state of NOAA, and do you feel it could be improved? How? What programs do you feel should be "priority items" within the agency?

In my short time with NOAA, I have been impressed by the commitment and pride the employees have in their programs and the mission of the agency. There does seem to be a communications problem because of the size of the agency and the geographical distribution of offices throughout the Washington metropolitan area. I would like to investigate ways to improve interaction and communications among NOAA's components.

In terms of "priority items", I think the National Academy of Sciences (NAS) review of NOAA programs and the outcome of that review and the implementation of any recommendations which are accepted will be a priority within the agency. The agency is going to undertake a review of the management of our fisheries, and I think this is going to be an important undertaking for NOAA.

Question. Over the past four years, the Administration has consistently proposed to eliminate the Undersea Research Program, Sea Grant, and Coastal Zone Management, and reduce funding for many of NOAA's ocean, coastal, and fishery programs. Congressional support for these programs has been bipartisan and strong throughout. Would you support funding for these programs during your tenure as Deputy Administrator?

Answer. I doubt the recommended eliminations or cuts were a reflection on the worthiness of these programs, and I think it is important to take the views of Congress into consideration, particularly if budget recommendations are routinely rejected. In the budget formulation process, I think NOAA's top management should indicate to the Department and OMB those items which might be reconsidered and areas where cuts might be made with Congressional approval. Should the goals of the Administration and the agency be served by funding any of the programs you mention, I would support these budget decisions. All Congressional spending decisions which are signed into law by the President should be implemented promptly, and as Deputy Administrator I will, to the best of my ability, ensure that the law is upheld.

Question. In his nomination hearing before this Committee, Dr. Calio stated that "NOAA needs people in the senior management team that possess scientific, technical, managerial and political talent." How do you feel you fit in with Dr. Calio's qualifications for a top management position in NOAA?

Answer. The Administrator has charged me with the responsibility of being general manager of the agency and as such I will handle the day-to-day operations and management of the agency. I think I have the strong academic, managerial and political experience for the job. In terms of managerial qualifications, I have taken an organization in financial trouble and made it into one of the most successful organizations of its kind. I had the opportunity to take an organization with a diversity of programs which was in managerial disarray and turn it into a smoothly functioning operation managed by planning rather than crisis. I understand politics and I can operate well in a political environment. Having served as chief operating officer of an organization whose founder and former chairman is currently the President of the United States, I have had a unique opportunity to participate in national politics.

JENNIFER L. DORN, TO BE ASSOCIATE DEPUTY SECRETARY, DEPARTMENT OF TRANSPORTATION

FRIDAY, NOVEMBER 8, 1985

U.S. SENATE,
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION,
Washington, DC.

The committee met, pursuant to notice, at 10:30 a.m. in room SR-253, Russell Senate Office Building, Hon. Bob Packwood presiding.

Staff members assigned to this hearing: Mary McAuliffe, staff counsel; Ruth Johnson, professional staff member; and David St. John, minority professional staff member.

OPENING STATEMENT BY SENATOR PACKWOOD

Senator PACKWOOD. The committee will come to order, please. We are here to consider the nomination of Jennifer Dorn for the No. 3 position in the Department of Transportation, the position that was created by this committee just a few years ago.

I personally can't think of anyone more deserving of this nomination. I have known Jennifer for the better part of a decade. I knew her when she worked in Mark Hatfield's office. I have followed her in the Department of Transportation with admiration, and I know that Senator Hatfield wishes he were here.

It is a reverse of roles. He is back in Oregon. I should be the one that is in Oregon. I am up for election next year, but because you were going to have your hearing, I decided to stay here today instead of going to Oregon. I do have a statement that Senator Hatfield wants placed in the record, and I will put it in the record just prior to your statement along with the biographical sketch and then I might have a few questions.

[The material referred to follows:]

STATEMENT OF HON. MARK O. HATFIELD, U.S. SENATOR FROM OREGON

Mr. Chairman, it is an honor and pleasure for me to make a statement to the Commerce Committee on behalf of Jennifer Dorn. No one is better qualified to fill the role of Associate Deputy Secretary at the Department of Transportation than Ms. Dorn. She is an Oregonian of remarkable ability who has served her Nation with distinction for the past eight years.

Jenna, as she is known to her friends, first came to Washington as a Legislative Assistant on my staff in 1977. Her education at Oregon State University and the University of Connecticut had prepared her to become one of the most valued members of my staff over the next six years. All Senators are forced to rely heavily upon the advice of their staff members, and I am no exception. When Jenna was staffing an issue for me, I was assured of receiving a thorough, comprehensive, yet concise,

briefing on issues that were frequently complex and controversial. During her two year tenure on the professional staff of the Senate Appropriations Committee, Jenna shared her expertise with many members of the committee, and it was clearly apparent to all who dealt with her that she was an extraordinary young woman.

It was with mixed feelings that I learned Jenna would be leaving the legislative branch early in 1983. I was delighted that she had been selected to serve as the Special Assistant to the Secretary of Transportation. But I knew that the Appropriations Committee would miss her valuable counsel. In a more personal vein, although I have had the opportunity to speak with Jenna on a regular basis, I miss the daily contact we once enjoyed. In the intervening two and one half years, my friend has continued to dedicate herself to her significant responsibilities within the Department, and I admit to a certain amount of pride when I was informed of her nomination to the important post for which she is being examined today.

Mr. Chairman and members of the committee, I trust that you will act favorably on the nomination of Ms. Dorn to be the Associate Deputy Secretary of Transportation. She has my unqualified support and heartiest best wishes. Thank you for the opportunity to share with the Committee my knowledge of and respect for her abilities.

Biographical Sketch of Jennifer Lynn Dorn

Address: 2248 Washington Avenue, Apt. 103, Silver Spring, MD 20910.
Date and place of birth: December 7, 1950, Grand Island, NE.
Marital status: Single.

EDUCATION

Christian College, Columbia, MD, 1969–70, none.
Oregon State University, Corvallis, OR, 1970–73, B.A.
U. of Connecticut, Storrs, CT, 1975–77, M.P.A.

EMPLOYMENT RECORD

February 1984 to present: Director, Office of Commercial Space Transportation, Office of the Secretary, U.S. Department of Transportation, 400 7th Street, SW., Washington, DC 20590.

February 1983 to February 1984: Special Assistant to the Secretary, Office of the Secretary, U.S. Department of Transportation, 400 7th Street, SW., Washington, DC 20590.

February 1981 to February 1983: Professional staff member, U.S. Senate Committee on Appropriations, U.S. Senate, Washington, DC 20510.

May 1977 to February 1981: Legislative assistant, Senator Mark Hatfield, U.S. Senate, Washington, DC 20510.

September 1976 to May 1977: Graduate teaching assistant, University of Connecticut, Department of Political Science, Storrs, CT.

May 1976 to August 1976: Researcher/lecturer, Institute for Public Service, University of Connecticut, Storrs, CT.

Government experience: see above.

Pre-hearing Questions of the Minority and the Answers

Question. Please describe what your duties and responsibilities will be as Associate Deputy Secretary of the Department of Transportation. Why is it necessary that this position receive Senate confirmation?

Answer. The position of Associate Deputy Secretary of the Department of Transportation was established as as Presidential appointment requiring Senate confirmation in 1984. Today's hearing marks the first time that a candidate has come before this committee for confirmation.

If confirmed, I will be the senior advisor to the Secretary and Deputy Secretary on major policies and programs of importance to the Department and the Administration. In addition to the day-to-day involvement with the Secretary in developing policy, I will manage cross-cutting issues in transportation and provide direct, top-level supervision of program initiatives in which she has a personal interest.

Senate confirmation conveys the authority and perspective necessary for the Associate Deputy to provide effective direction to other senior officials in high visibility problem areas which impact all modes of transportation. An official confirmed by

the Senate will have the stature necessary to effectively mediate disputes without involving, unnecessarily, the Secretary or Deputy Secretary.

The Deputy Secretary's office historically has been the point in the Department where the line and staff functions converge and for reconciling viewpoints before they are presented to the Secretary. The Associate Deputy, then, will serve as the arbiter for issues that cross all modes of transportation. Management of the Department will be enhanced by an Associate Deputy who enjoys exposure to the breadth of issues affecting the Department and who has the authority to draw upon the resources of several operating administrations.

Question. Language in the Commerce Committee report on the legislation which ultimately created the position of Associate Deputy Secretary states that the position is designed to "improve the efficiency of the DOT, particularly in Department level questions that involve foreign countries. . . ." What questions involving foreign countries, if any, do you expect to be working with?

Answer. The Department has wide ranging international responsibilities in regulating maritime, aviation, and transborder surface transportation. It participates in negotiations involving international air carrier service, international maritime pollution agreements, and truck and bus service to Canada and Mexico.

The Associate Deputy Secretary may be called upon to personally represent the Secretary at meetings with high ranking officials of foreign governments to convey the Secretary's views on these international matters—as in any other issue so designated by the Secretary.

Question. What specific experience in the area of transportation qualifies you for this position?

Answer. Since February 1984, I have been the Director of DOT's Office of Commercial Space Transportation. In this capacity, I have responsibility for implementing the President's initiative to expand private sector investment in and marketing of commercial transportation services to space. This task required mastery of complex international, economic, technical, and regulatory policy issues and an understanding of both the public policy process and the dynamics of the business environment.

As in other transportation modes, the challenge was to return to the private sector those government activities best managed in the commercial realm, encourage the development of an emerging industry, and create a "deregulatory" environment in which that industry could flourish. The success of this initiative depended, in large part, on my ability to work effectively with Congressional Committees, the Cabinet Council on Commerce and Trade and with other executive agencies.

This assignment was greatly enhanced by my previous work as Secretary Dole's special assistant. In that capacity, I worked closely with her as she developed her transportation agenda and brought on her management team. During this time, I gained a broad understanding of the issues that affect all modes, an opportunity to manage people and analyze complex transportation policy questions, and a keen awareness of the challenges in providing a safe and efficient transportation network for all Americans.

In addition, my five years as a professional staff member in the U.S. Senate, first as a legislative assistant to Senator Mark Hatfield, and then as a member of the Appropriations Committee staff, offered me a unique and important perspective on the government process and a sensitivity toward the role of the Congress. These experiences will allow me to perform ably in the position for which I am being considered.

Question. The Administration has transmitted to the Congress its trucking deregulation bill, which Senator Danforth has introduced by request. At this point in time, a majority of the trucking industry and labor oppose enactment of this legislation. How will you advise the Secretary on proceeding with this issue? In other words, would you recommend pushing this deregulation legislation over the objections of these parties?

Answer. Trucking deregulation is, and has been, a controversial issue. It is true that most—but not all—common carries (regular route carriers) do not support further deregulation. However, private carriers, which represent a large segment of the industry, enthusiastically support the Administration's bill.

I would certainly recommend that the Secretary continue her efforts to eliminate remaining regulation of the trucking industry. Economic regulation of the transportation industries began some ninety-eight years ago. Much of it has now become an expensive paper chase with no offsetting benefits to consumers and questionable value to carriers. We took our first step toward regulatory reform of the trucking industry with the Motor Carrier Act of 1980. The 1980 Act has had significant, positive effects on the trucking industry. While the recession of 1981–1982 caused sub-

stantial traffic declines and financial losses for some motor carriers, the industry as a whole has been making the necessary adjustments to today's more competitive environment and has returned to profitability with the upturn in the overall economy.

With freer entry into the trucking business, the number of firms with Interstate Commerce Commission operating authority has grown from roughly 18,000 in 1980 to almost 31,000 last year. New price and service options have been introduced. Established carriers have become more efficient and innovative by restructuring routes, reducing empty backhauls, providing simplified rate structures and offering shippers incentive to move freight more efficiently In short, the industry has weathered the recession and continues to take advantage of new freedoms of deregulation.

Question. In recent months, the Federal Aviation Administration's role in enforceing aviation safety standards has been called into question. For their part, the Secretary and Administrator Engen have proposed a number of steps to improve the margin of safety in aviation. If confirmed, what specific initiatives in the area of aviation safety (apart from those already announced) would you recommend that the Secretary pursue?

Answer. The Secretary has directed a systematic approach to ensuring aviation safety enforcement through a number of inspections and audits since her tenure began. For example, in 1984, she orderd an unprecedented, comprehensive "white glove" inspection of all the nation's airlines. The inspection identified a high level of compliance and a safe system. A significant number of changes in inspection procedures were made as a result of this program.

As a follow-up to the air carrier safety program, the Secretary also called for an extensive plan to examine and enhance the safety of the general aviation sector of the industry. The General Aviation Safety Audit was designed as a five phase, 18-month review of the 210,000 aircraft in the general aviation fleet, and of flight schools, repair station mechanics, and on-demand air taxis. The data gathering is complete and reports are being completed.

In addition, the FAA initiated "Project SAFE" (Safety Activity Functional Evaluation). The project is a comprehensive review of the agency's own safety inspection system including inspector tasks and work functions, and the overall management of the field inspector work force. This report, which will be completed shortly, will identify areas where problems exist and improvements can be made.

In August 1985, the Secretary released a report prepared by the Department's Safety Review Task Force on the FAA's flight standards safety programs. Created to examine the Department's safety programs across all modes, the Task Force identified four areas requiring improvement.

The four areas are: (1) difficulty in formulating and carrying out actions in a timely manner; (2) of uniformity in the interpretation and implementation of FAA regulations and policies; (3) sometimes ineffective communication within the FAA and with the aviation community and the general public; and (4) expanded autonomy at FAA regional offices and some headquarters offices that has inhibited the accomplishment of program objectives. Administrator Engen recognized that the recommendations are "on the mark" and has developed a schedule to implement the necessary reforms.

A few weeks ago, the Secretary announced an increase of 500 safety inspector positions over the next three fiscal years, and the budget changes to accomplish this are underway. In FY 1986, she expects to add approximately 480 more controllers to the existing workforce. FY 1987 will see further increases.

I believe the systematics approach taken by the Secretary and outline above is the appropriate one to help assure the safety of our nation's air system. If confirmed, I would help to assure the effective implementation of these initiatives.

Question. Secretary Dole has been actively working toward enactment of S. 1017, legislation to transfer National and Dulles Airports to a regional authority. What would you envision as your responsibilities on this issue? Will you be representing the Secretary in meetings before members of Congress?

Answer. I have not been asked specifically by the Secretary to assist in this issue. I know, however, that the Secretary strongly supports S. 1017, as recently amended by this committee, because she recognizes how beneficial the transfer of these facilities to regional control would be for improved service. It would also permit rapid capital improvement free of Federal budgetary entanglements and would take advantage of the community consensus reflected in the Holton Commission Report.

Question. One of the most important transportation issues currently facing Congress is the sale of Conrail. If confirmed, how would you perceive your role in implementing the Department of Transportation's selection of Norfolk Southern as the purchaser? If no action is taken by either the House or the Senate by the end of the

year, what would you expect the Department to do on this issue, and what part would you expect to play in that effort?

Answer. Because of my responsibilities as the Director of the Office of Commercial Space Transportation, I have not been personally involved in the Conrail sale legislation. The Secretary's mandate was to present to the Congress the best plan for returning Conrail to the private sector. She has done that. I do know of the Committee's strong and much appreciated support and that the Department remains optimistic that the bill will be considered on the Senate floor this session.

Question. In the wake of the various transportation regulatory reform measures passed in recent years, much attention has been focused on the implementation of those measures and the need for further legislation. What do you feel should be the Department's role in this area? Do you believe that it has devoted sufficient resources to study regulatory policy and the health of the transportation sector since deregulation?

Answer. I believe the Department of Transportation should continue to be an outspoken advocate of economic deregulation of the transportation sector. The Department has devoted significant resources to study regulatory policy and the health of the transportation sector since deregulation. We have commissioned twelve studies on the impacts of trucking deregulation, six on bus deregulation, four on aviation deregulation, and have been involved in four studies of railroad deregulation done by other Federal agencies. These studies generally concluded that deregulation has enhanced the ability of the transportation industry to react to service and pricing issues. Regular discussions with leaders of the industry and members and consumers throughout the country keep the Department abreast of changes in transportation needs and priorities.

Deregulation in aviation has brought about new airlines, new service routes, and, on average, reduced fares for passengers below what they otherwise would have been. Service has increased since deregulation. And, last year, the airline industry had a record operating profit.

In trucking, competition has resulted in new price and service options and discounts for most types of traffic. In both Florida and Arizona, two states that have totally deregulated their intrastate trucking industries, shippers have consistently supported deregulation, mentioning improved service, more carriers serving them, and downward pressure on rates.

Similar achievements have been seen in the railroad industry. DOT opposes revisions to the Staggers Act that would reimpose regulation and reduce the opportunities now available to railroads and shippers.

I should emphasize that economic deregulation does not include safety deregulation. The Department continues to strengthen safety activities affecting aviation, maritime, and surface transportation.

I can assure you that I am personally committed to furthering economic deregulation.

Senator PACKWOOD. Do you have any comments?

STATEMENT OF JENNIFER L. DORN

Ms. DORN. Yes, sir. I would hate to lose perhaps a once in a lifetime opportunity and not say anything, so if you don't mind, Mr. Chairman.

I appreciate very much your willingness to hold a hearing today. I know in the closing weeks of the session you have a number of weighty matters to consider.

It certainly is a source of special pride to me that I share a home State with two such well respected leaders, you, Mr. Chairman, and your distinguished colleague, Senator Hatfield.

As you know, Oregonians are a demanding breed, and we care very much about our Government and the leaders who represent us. I think it is a tribute to you both and a sign of the highest respect that they continue to return you and Senator Hatfield again and again to public office, not only because you serve the people of Oregon so well, but because you also serve all American citizens.

I am very proud to be here in your presence this morning.

Senator PACKWOOD. Keep going. Those are wonderful opening statements.

Ms. DORN. It is really an honor for me to be nominated by the President to be Associate Deputy Secretary of the Department of Transportation. I am humbled by the confidence that this appointment suggests and eager to serve, if the Senate so wills, in a Department whose programs affect the daily lives of American citizens and travelers throughout the world.

Although Senator Hatfield was unable to be here, I would like to just make a brief comment that my appearance here today is due in no small part to his support and his wise counsel.

When I came to Washington over 8 years ago, I was able to learn fast and learn well because of him. His valuable insight into the policy process has allowed me to have a confidence in the Government system that has sustained me in some difficult policy choices and recommendations over my years in Government service.

I think that one cannot underestimate the importance and influence of individual employers in terms of shaping one's views about one's work. Certainly, I have been fortunate to work for Secretary Dole whose values, integrity, leadership and sensitivity are a source of inspiration to me, both personally and professionally.

If confirmed, Mr. Chairman, I only hope to emulate those characteristics in continued service to the Department as well as to this distinguished committee.

There is no need to recite for you, Mr. Chairman, some of the strides that the Department has made with your cooperation and support, under Secretary Dole's leadership.

I would simply tell you that I eagerly and enthusiastically embrace the priorities of the Secretary's agenda, many of which are your priorities as well, and I am proud of the successful efforts to date. I will be working vigorously, the Senate willing, to continue that record.

I would like to make a few comments about the kinds of things that I have done that I believe lend credibility to my ability to perform this job.

Over the past 2 years, as you know, Mr. Chairman, I have been responsible for implementing the President's initiative to expand the private sector participation in space. This has been a unique challenge because until now the private sector has not been allowed to conduct commercial rocket launches to geosynchronous orbit.

In fact, these entities have functioned only as Government contractors. So many of the issues faced in the space arena have, in fact, been faced in other modes of transportation as well. We are attempting to deregulate an atmosphere that has been burdensome to the development of an industry.

This has required on the part of myself and my staff a mastery of complex international issues because, in fact, space has become an international issue. We have on many occasions been negotiating across the table from the French and with NASA and other agencies of the Federal Government.

There have been economic, technological and regulatory issues to confront, and I think, like many other modes of transportation, the

challenge here is to deregulate the environment so that an industry can thrive.

As you well know, in some of the areas in which you have been an active leader, particularly trucking deregulation, this is a very important endeavor indeed.

Our success in the arena of space has been dependent upon effective working relationships with Congress, with Cabinet Councils and with other Federal agencies as well as private industry.

In effect, we have been an honest broker between the private industry and the Government. I think that has allowed me to personally see and to oversee the kinds of activities and dynamics that are so important to the private sector.

I would like to just take the last couple of moments, if I may, to describe to you the nature of the job for which I am being considered as envisioned by the Secretary, since it is the first time this position has required Senate confirmation.

The Secretary has created this position as a senior advisor to herself and the Deputy Secretary on most, if not all, major programs that cross the modes in transportation.

In addition to the day-to-day involvement with the Secretary in policy development, I will manage a number of crosscutting issues.

As you know, while our economy grows and our Federal budgets shrink, it has been very important to understand the interrelationship between and among modes of transportation. Those issues of a crosscutting nature need to be managed effectively.

An example I might give is in the area of truck safety. There are four different elements within the Department of Transportation that have some responsibility for the trucking industry. It needs an effective senior level policy official to give oversight for that program to make sure that, in fact, it is effectively implemented.

In addition to that, I expect to provide direct leadership and top level supervision of program initiatives on a day-to-day basis or a case-by-case basis that are of personal interest to the Secretary.

The Deputy Secretary's office has been historically the place at which the line and staff functions converge and, in fact, it has been an important arena in which viewpoints can be reconciled. Some of those viewpoints should be presented to the Secretary as disputing viewpoints and others should be resolved at the Deputy Secretary's level.

I would anticipate that there would be many issues which I would manage in lieu of the Secretary and/or the Deputy Secretary.

I believe the fact that this position requires Senate confirmation is important to carrying out the functions. It conveys the authority and the perspective necessary to provide that effective direction, particularly on high visibility programs.

DOT is an agency with 100,000 employees and several different modes, some more independent than others, and with more than a $24 billion budget. We can enhance our efficient and effective management by having another policy position in which there is oversight that crosses the modes.

As you know very well, Mr. Chairman, from your experience with Secretary Dole, she is not the kind of person to step back from difficult issues. Neither is she the type of person to work only 8 or

10 hours a day. She has a full range of transportation priorities on her plate.

Let me assure you there will be plenty to do in this position. I feel very confident that it will, in fact, enhance the management capabilities of our Department, and with your support and approval I would eagerly accept the opportunity to serve in this capacity. I look forward to your continued personal guidance and that of this committee in carrying out the Department's programs.

Thank you so much for your time.

[The statement follows:]

STATEMENT OF JENNIFER L. DORN

Mr. Chairman, I am pleased to have this opportunity to appear today before the members of the Senate Commerce Committee. I know that this is a particularly busy time for Congress and I want to thank you for working this hearing into your very full schedule.

It is an honor to be nominated by the President to serve as Associate Deputy Secretary at the Department of Transportation. I am indeed humbled by the confidence that such an appointment suggests and excited by the opportunity to serve, if confirmed, in a Department whose programs have such tangible impacts on this nation's economy and its citizens' daily lives.

It is a source of special pride that I am introduced by, and able to appear before, both leaders of the state which has been my long-time home. I know that my fellow Oregonians share my tremendous respect and admiration for the able leadership of Senators Hatfield and Packwood, and gratitude for their commitment to public service.

My appearance before you today is due in no small part to the guidance and support of the senior Senator from Oregon. As a member of his legislative staff, and later on the staff of the Senate Appropriations Committee, I gained valuable insight into the public policy process and a sense of confidence in our government system.

One cannot underestimate, I believe, the importance and influence of an individual employer in shaping one's views and attitudes about one's work. It is without question that the values, integrity, sensitivity and leadership of the two public servants for whom I have had the privilege to work—Senator Hatfield and Secretary Dole—have indeed positively shaped my perspectives about government.

My experiences in public service have allowed me to learn firsthand the importance of close cooperation and consultation between Congress and the Executive Branch in the development of sound public policy. Certainly, such cooperation has been of significant importance in Secretary Dole's efforts to assure that this Nation continues to enjoy the benefits of a safe, efficient transportation network.

As special assistant to Secretary Dole when she first became head of the Department of Transportation, I had the opportunity to work closely with her as she developed her agenda and brought on her management team. The example she sets, both in her leadership of the Department and in the personal values she demonstrates have been an inspiration to me. If confirmed, I could only hope to emulate those characteristics in service to this Department and this distinguished Committee.

Under Secretary Dole's able hand, the Department has made significant strides in improving the condition of our transportation infrastructure. As you know, safety is the Secretary's highest priority. Among the Secretary's initiatives since coming to the Department, she has:

Expanded and intensified the campaign against drunk driving, a contributing factor in nearly 50 percent of all highway fatalities and supported legislation to provide incentives for states to set their minimum drinking age at 21.

Greatly increased the Department's efforts in encouraging safety belt use.

Looked at the opportunities to increase safety through improved vehicle design. The requirement to install a high-mounted stop light at the rear of all new automobiles is expected to prevent approximately 900,000 accidents.

Proposed initiatives for new motor carrier safety programs to help states beef-up truck safety enforcement and fulfill, as effectively as possible, the Federal role in this important area.

Initiated systematic, "from-the-ground-up" evaluations of the commercial and general aviation industries and additional, in-depth inspections; and

Established a Transportation Safety Task Force to review the management of federal government's responsibilities. Major reforms are being implemented across all modes of transportation based on the task force's recommendations.

In the area of economic deregulation, the Secretary has renewed efforts to provide for the deregulation of the total trucking idustry. She supported passage of the Shipping Act of 1984 which, for the first time in sixty-three years, streamlined regulation of the maritime industry and has submitted legislation to help revitalize the U.S. merchant marine. The Department continues to carefully monitor the effects of economic regulatory reform on aviation, trucking, railroads and interstate busing, especially regarding safety and service to small and rural communities.

The Secretary is determined to return to the private sector those transportation functions best managed in the free market and to leave local matters to state and local authorities. Consistant with this interest, she has already sold the Alaska Railroad to that State and enlisted your support and assistance in securing the sale of Conrail and the transfer of the Metropolitan Washington Airports to regional control.

In a similar vein, the Department has taken the lead in providing for expanded opportunities for a commercial space transportation industry. Since being named Director of the Office of Commercial Space Transportation two years ago, I have worked closely with both this committee and other executive agencies to cut the red tape and remove the bureaucratic barriers which threatened this fledgling industry.

As I know your are aware, the complexity of the issues and the demands of running an executive agency with more than 100,000 employees requires a tremendous amount of time and energy on the part of the Secretary and Deputy Secretary. The designation of a senior level Department official who embodies the authority, perspective, and stature that Senate confirmation conveys, will enable DOT to more effectively carry out its diverse and complex programs.

The Associate Deputy Secretary is the senior advisor to the Secretary and Deputy Secretary on major policies and programs of critical importance to the Department and the Administration. In carrying out his or her responsibilities, the Associate Deputy must take the lead in managing cross-cutting issues on behalf of the Secretary. An official of this stature can provide the direct, top-level supervision required in managing these critical program initiatives.

The Associate Deputy Secretary represents both the Administration and the Department of Transportation with senior officals of foreign governments, other Federal agencies, State and local governments and representatives of public interest groups, As such, the Associate Deputy acts as the Secretary's personal representative and is expected to represent her decisions and views with the full weight and authority that the Office represents.

With your support and approval, I will eagerly accept the opportunity to serve in this new capacity. And I look forward to the Committee's continued guidance and assistance in carrying out the Department's programs.

Thank you for the opportunity to be here today. I would be happy to answer any questions you might have.

Senator PACKWOOD. Thank you. The last time a No. 3 person, not the Department of Transportation, but in one of our other Cabinet levels, had to undertake a very significant and difficult task, it was during the Watergate years when President Nixon had appointed Archibald Cox to head the Watergate Investigative Committee.

He had the right to dismiss him if he wanted, and he decided he didn't like the way Cox was performing, and he ordered Attorney General Richardson to fire him, and Richardson quit rather than fire him.

He then ordered Deputy Attorney General Ruckelshaus to fire him, and Ruckelshaus quit rather than fire him, and it fell to the Solicitor General, the third in charge, to fire Archibald Cox.

I hope you were not placed in a similar situation in No. 3.

Ms. DORN. Thank you for the analogy, Senator.

Senator PACKWOOD. Has Secretary Dole asked you to take on or keep any particular tasks?

Ms. DORN. I think perhaps one area of continuing responsibility will be in safety. She has asked me to review, to oversee, in effect,

the various safety review task force efforts that have been ongoing across the Department, and in addition to the truck safety effort which she just announced yesterday.

Senator PACKWOOD. Good. I am delighted. Who is going to handle space, are you going to continue that or is somebody else coming in?

Ms. DORN. The Secretary has interviewed candidates for that position. It is a full-time challenge, and we will certainly fill that job with a person who is capable of performing the deregulatory functions that are so important. We would anticipate that happening in the near future.

Senator PACKWOOD. Good. When you were describing the position I sensed you were going to try to coordinate for Under Secretary Burnley and Secretary Dole, all of the policy decisions coming from a milieu of different subdepartments.

In addition, what are your administrative responsibilities going to be?

Ms. DORN. I want to make it very clear that this level of senior policy official is in no way an attempt to create another layer of bureaucracy. In fact, it is precisely the opposite.

It will not mean that every decision must go through the No. 3 person at the Department. The Secretary's style of management is one of group discussions at the senior level in which, after thorough analysis, a decision is made. I would anticipate that as a senior member of her management team I would continue to participate.

In the area of management responsibilities, I think that that will depend on the kinds of high visibility problem areas that emerge. However, there is one particular instance in which the Department is now undertaking a review of all of our field and regional structures. I will oversee that effort to assure that we have the appropriate level of resources and that those resources are directed at the appropriate type of activity.

Senator PACKWOOD. I have no other questions. Let me say for the record that you are one of the most competent persons I have run across, man or woman, in Government, and I think we are lucky to be able to keep you.

One of these days you will go out into private enterprise, I assume, and it will be the Government's loss, but I am delighted that you are willing to stay on for a few more years in a very significant position in an agency that is very critical.

I congratulate you, and well done.

Ms. DORN. Thank you so much for your gracious comments, Mr. Chairman.

[Whereupon, at 10:43 a.m., the committee recessed subject to the call of the Chair.]

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